IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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I.T.R. No.102 of 1988
Date of Decision:16.01.2007

The Commissioner of Income-tax, (Central), Ludhiana
.....Petitioner

Vs.

M/s Upper India Steel Mfg. & Engg. Co. (P) Ltd., Ludhiana
.....Respondent

CORAM:- HON'BLE MR. JUSTICE M.M.KUMAR
HON'BLE MR. JUSTICE RAJESH BINDAL

Present:- Mr. S.K.Mukhi, Advocate for the applicant.

Mr. S.K.Garg, Advocate for the respondent.

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Rajesh Bindal, J.

The following question of law has been referred for opinion of this Court arising out of order passed by the Income Tax Appellate Tribunal, Chandigarh Bench, Chandigarh (for short, `the Tribunal) in S.T.A. No.16 of 1986 dated 13.7.1987 in respect of assessment year:-

> "Whether on the facts and in the circumstances of the case and on a proper interpretation of the provisions of section 7D, the Appellate Tribunal was right in law in holding that the assessee was not liable to pay interest under section 7D in respect of the deficient payment of advance sur-tax in first two instalments for the assessment year 1982-83?"

While deciding the appeal under the Companies (Profits) Sur-tax Act, 1964 (for short, `the Sur-tax Act'), the Tribunal relied upon the order passed by it in the case of the assessee under Income Tax Act while dealing with interest chargeable under Section 216 of the Income Tax Act, 1961 thereof, which is pari materia with Section 7D of the Sur-tax Act.

Vide our separate order passed today in I.T.R. No.80 of 1988 – **The Commissioner of Income Tax (Central), Ludhiana v. M/s Upper India Steel Mfg. & Engg. Co. (P) Ltd., Ludhiana**, the question raised has been answered in favour of the revenue and against the assessee.

For the reasons recorded therein, the question referred is answered in favour of the revenue and against the assessee.

The reference is disposed of accordingly.

(RAJESH BINDAL)
JUDGE

January 16 , 2007 **(M.M.KUMAR)**
renu **JUDGE**